

# State Liquor Dispensary

**STARS Number & Budget Unit:** 185 GVGA, 185 GVGB(Cont), 185 GVGC

**Bill Number & Chapter:** H844 (Ch.375), S1263 (Ch.1), S1466 (Ch.392)

PROGRAM DESCRIPTION: The State Liquor Dispensary regulates and controls the traffic and sale of alcoholic liquor. [Statutory Authority: Idaho Code §23-201 et seq.]

<b>DIVISION SUMMARY:</b>	<b>FY 2005 Total Appr</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Total Appr</b>	<b>FY 2007 Request</b>	<b>FY 2007 Gov Rec</b>	<b>FY 2007 Approp</b>
<b>BY FUND SOURCE</b>						
Dedicated	11,397,500	10,876,700	12,214,700	18,123,400	17,940,200	15,270,800
Percent Change:		(4.6%)	12.3%	48.4%	46.9%	25.0%
<b>BY EXPENDITURE CLASSIFICATION</b>						
Personnel Costs	7,669,100	7,432,800	8,435,700	8,938,900	8,755,700	8,613,100
Operating Expenditures	3,230,800	3,054,300	3,372,700	3,975,000	3,975,000	3,975,000
Capital Outlay	497,600	389,600	406,300	5,209,500	5,209,500	2,682,700
Total:	11,397,500	10,876,700	12,214,700	18,123,400	17,940,200	15,270,800
Full-Time Positions (FTP)	160.00	160.00	166.00	186.00	186.00	180.00

In accordance with Section 67-3519, Idaho Code, this division is authorized no more than 180.00 full-time equivalent positions at any point during the period July 1, 2006 through June 30, 2007 for the programs specified.

<b>DECISION UNIT SUMMARY:</b>	<b>FTP</b>	<b>General</b>	<b>Dedicated</b>	<b>Federal</b>	<b>Total</b>
<b>FY 2006 Original Appropriation</b>	<b>166.00</b>	<b>0</b>	<b>12,075,400</b>	<b>0</b>	<b>12,075,400</b>
One-time 1% Salary Increase H395	0.00	0	64,000	0	64,000
Omnibus CEC Supplemental S1263	0.00	0	75,300	0	75,300
<b>FY 2006 Total Appropriation</b>	<b>166.00</b>	<b>0</b>	<b>12,214,700</b>	<b>0</b>	<b>12,214,700</b>
Removal of One-Time Expenditures	0.00	0	(723,100)	0	(723,100)
<b>FY 2007 Base</b>	<b>166.00</b>	<b>0</b>	<b>11,491,600</b>	<b>0</b>	<b>11,491,600</b>
Benefit Costs Including H844	0.00	0	(137,300)	0	(137,300)
Inflationary Adjustments	0.00	0	60,900	0	60,900
Replacement Items	0.00	0	396,000	0	396,000
Statewide Cost Allocation	0.00	0	25,000	0	25,000
Change in Employee Compensation H844	0.00	0	120,300	0	120,300
Nondiscretionary Adjustments	0.00	0	69,800	0	69,800
<b>FY 2007 Maintenance (MCO)</b>	<b>166.00</b>	<b>0</b>	<b>12,026,300</b>	<b>0</b>	<b>12,026,300</b>
1. Six Additional Stores	12.00	0	1,146,400	0	1,146,400
2. Additional Staffing	2.00	0	98,100	0	98,100
3. Warehouse Improvements	0.00	0	2,000,000	0	2,000,000
<b>FY 2007 Total Appropriation</b>	<b>180.00</b>	<b>0</b>	<b>15,270,800</b>	<b>0</b>	<b>15,270,800</b>
% Change From FY 2006 Original Approp.	8.4%		26.5%		26.5%
% Change From FY 2006 Total Approp.	8.4%		25.0%		25.0%

SUPPLEMENTALS: H395 provided a one-time 1% Change in Employee Compensation (CEC) increase that was contingent upon the General Fund balance at the end of fiscal year 2005. In addition, S1263 provided an early 3% ongoing CEC beginning in February of 2006 for 10 pay periods.

APPROPRIATION HIGHLIGHTS: Benefit costs were adjusted to provide that one medical insurance premium holiday and seven life insurance premium holidays be paid from reserves. JFAC also stipulated that increases in health insurance costs be paid from reserves. An inflationary increase of 1.9% was provided for operating expenditures. Replacement items included one vehicle, a store relocation, funding for store maintenance, a point of sale system, servers, and miscellaneous software. Statewide cost allocation reflected changes in Attorney General, Controller and Treasurer fees, and risk management rates. In addition to benefit funding, H844 funded CEC costs for the remaining 16 pay periods in FY 2007. This budget included three line items: 1) \$1,146,400 and 12 FTP for six additional liquor stores; 2) \$98,100 and two FTP for a new District Manager position and a new Materials Handler position; and 3) \$2,000,000 for the costs of the initial phase of a warehouse remodel project. The project is expected to take three years.

LEGISLATIVE INTENT: Senate bill 1466 also created a Liquor Warehouse Remodel Fund and directed the State Controller to transfer \$2,000,000 into the fund. The remodel fund is effective for three years and all expenditures related to the warehouse remodel are directed to be expended from the Liquor Warehouse Remodel Fund.

OTHER LEGISLATION: Senate bill 1388 modified the liquor revenue distribution. The bill directs the State Liquor Dispensary to distribute \$1.8 million dollars over the next four years to pay back the \$7.2 million removed from the liquor fund after the 2005 session. The bill also changes the liquor distribution over a period of 10 years to a 50/50 split of revenues between the local governments and the state.

<b>FY 2007 APPROPRIATION:</b>	<b>FTP</b>	<b>Pers. Cost</b>	<b>Oper Exp</b>	<b>Cap Out</b>	<b>T/B Pymnts</b>	<b>Lump Sum</b>	<b>Total</b>
D 0418-00 Liquor Control	180.00	8,613,100	3,950,500	0	0	0	12,563,600
OT D 0418-00 Liquor Control	0.00	0	24,500	682,700	0	0	707,200
OT D 0418-03 Liq Wrhs Remodel	0.00	0	0	2,000,000	0	0	2,000,000
Totals:	180.00	8,613,100	3,975,000	2,682,700	0	0	15,270,800